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CENTRAL INTELLIGENCE AGENCY

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1. The exact location of the Harmonika Factory is indicated on Enclosure A, by circled number 5, and the detailed description is given on Enclosure B. This enterprise was founded in 1890, and prior to nationalization belonged to Hans Holz.
2. Products: Before World War II the Harmonika Factory manufactured musical instruments, and during the war it was converted to the production of aluminum aircraft parts; this production centered around the manufacture of aircraft frames (so-called kites) for Messerschmitt aircraft. The factory was not bombed once during the entire war. After World War II, the factory was once again adapted to the manufacture of musical instruments.
3. In the Spring of 1952 military specialists from the Ministry of Defense arrived at the factory and began to measure all available shop space. These specialists spoke only with the director of the enterprise and with the chairman of the enterprise council. [REDACTED] that the factory was to be converted again to the production of aircraft parts, and that the visitors from the Ministry of Defense had demonstrated interest in some plans which were kept in the fireproof safe of the factory. These blueprints had been preserved from the time of the German occupation when aircraft parts were manufactured here.
4. The main Harmonika plant is in Horovice; it has sister plants in Kraslice, Pisek, Louny and Hradec Kralove. The Harmonika enterprise in Kraslice is divided into two parts: the "finishing shop", which produced musical toys, and the "Harmonika shop", which produced accordions and mouth organs.
5. Material for use in the enterprise was shipped from the warehouse in Horice near Prague; and Swedish steel and files arrived directly from Sweden.

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6. The factory uses the following raw materials in its production: brass, aluminum, iron, cellulose, beech wood dural, alcohol, benzene, acetone, acetone solvent, paints and lacquers.

7. (The motive power for the enterprise consisted of electricity, coal and compressed air.)

8. Export: Only high quality merchandise, without the slightest flaw, was authorized for export. Export goods were shipped to Africa, the US, Australia, Great Britain, the USSR, Hungary and Poland. Less perfect merchandise, with outwardly visible flaws, was sold domestically as "perfect", through outlets in Ceske Budejovice, Usti nad Labem, Kralove Pole and Prostejov.

9. Finances: The money for the payroll was paid to the enterprise by the Kraslice branch of the Czechoslovak National Bank. Every two weeks the enterprise received a certain sum from the bank, but was required to present evidence of plan fulfillment for the period concerned; when the plan had not been fulfilled, the bank refused to make available the wage money, in which case the directorate of the enterprise had, immediately, to send a very detailed written explanation to the National Bank in Prague, indicating why the plan had not been fulfilled. (Sometimes the director had, himself, to travel to Prague to explain the reasons for the inadequacy of production.)

10. In July 1952, the workers in the fitting shop did not receive any pay, because their section had not fulfilled the section plan. They retaliated to this "provision" by calling a two-hour strike, against which neither the management nor the Communist Party retaliated in any manner; the workers were paid in part, with the balance owed them added to their next paycheck.

11. Technical Equipment: The enterprise had standard and automatic lathes, automatic and semiautomatic woodworking machines (and various other woodworking machines), two eccentric presses, galvanizing machines, shapers and planers, and compressors. The enterprise also owned two trucks.

12. In one month the total turnover in wages and salaries was about 750,000 crowns in the finishing shop, and about 1,000,000 crowns in the harmonika shop. In 1951 the plan of the factory was fulfilled by 99.3 percent. In the first quarter of 1952 fulfillment was 94 percent of the production plan for that period. I do not know the overall plan fulfillment for 1952.

13. Production: The monthly output of the factory was roughly 50 chromatic accordions, 60,000 mouth organs, and 20,000 pieces of various musical toys. 25X1

14. [Redacted]

15. The factory employs about 340 persons, 40 percent of whom are Sudeten Germans; (all the specialists are Sudeten Germans). Of the entire personnel about 150 are women. The clerical staff totals about 55 employees. In addition to the above, the plant employs about 60 domestic workers workers who work in their own homes, who are, for the most part, invalids.

16. Wages: Workers were paid every two weeks, and clerical staff members, on salaries, monthly. The worker's first paycheck of the month contained only a partial payment, and the balance was paid at the end of the month. The average monthly pay of a worker in this factory was about 4,000 crowns; a tuner received about 8,000 to 10,000 crowns, a section chief about 5,000, a clerk about 3,000, and a technical clerk about 4,000 crowns.

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17. Political Groups: The following organizations had representative units among the workers in this enterprise: Communist Party of Czechoslovakia, Czechoslovak Federation of Youth, Revolutionary Trade Union Movement, Central Trade Union Council, and the Federation for Friendship with the USSR. (Normally this enterprise worked from 0600 to 1400 hours daily. The factory is approachable along a 10 meter wide asphalt highway from Kraslice to Bublava.)

18.

19. Worker morale: Almost 80 percent of the personnel were against the regime, because they earned relatively little, but had to work harder than before. Communist propaganda had but a limited effect on the workers, the majority of whom, particularly the young ones, used to laugh at the Communists. Once or twice a month an all-enterprise meeting was held and everyone attended, because no one was permitted to leave the premises before the meeting was over. A so-called "school of work" was also introduced in the factory, but as only two employees desired to attend, the school had to be discontinued. The morale and attitude of the population of Kraslice is quite bad: people do not trust one another; and, despite the fact that the majority of the people are more than dissatisfied with the socialist "achievements", they are afraid to speak against the regime.

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ENCLOSURE: A: Sketch-map, Kraslice, with legend
B: Sketch-map, Zavod - "Harmonika" v Kraslich, with legend.

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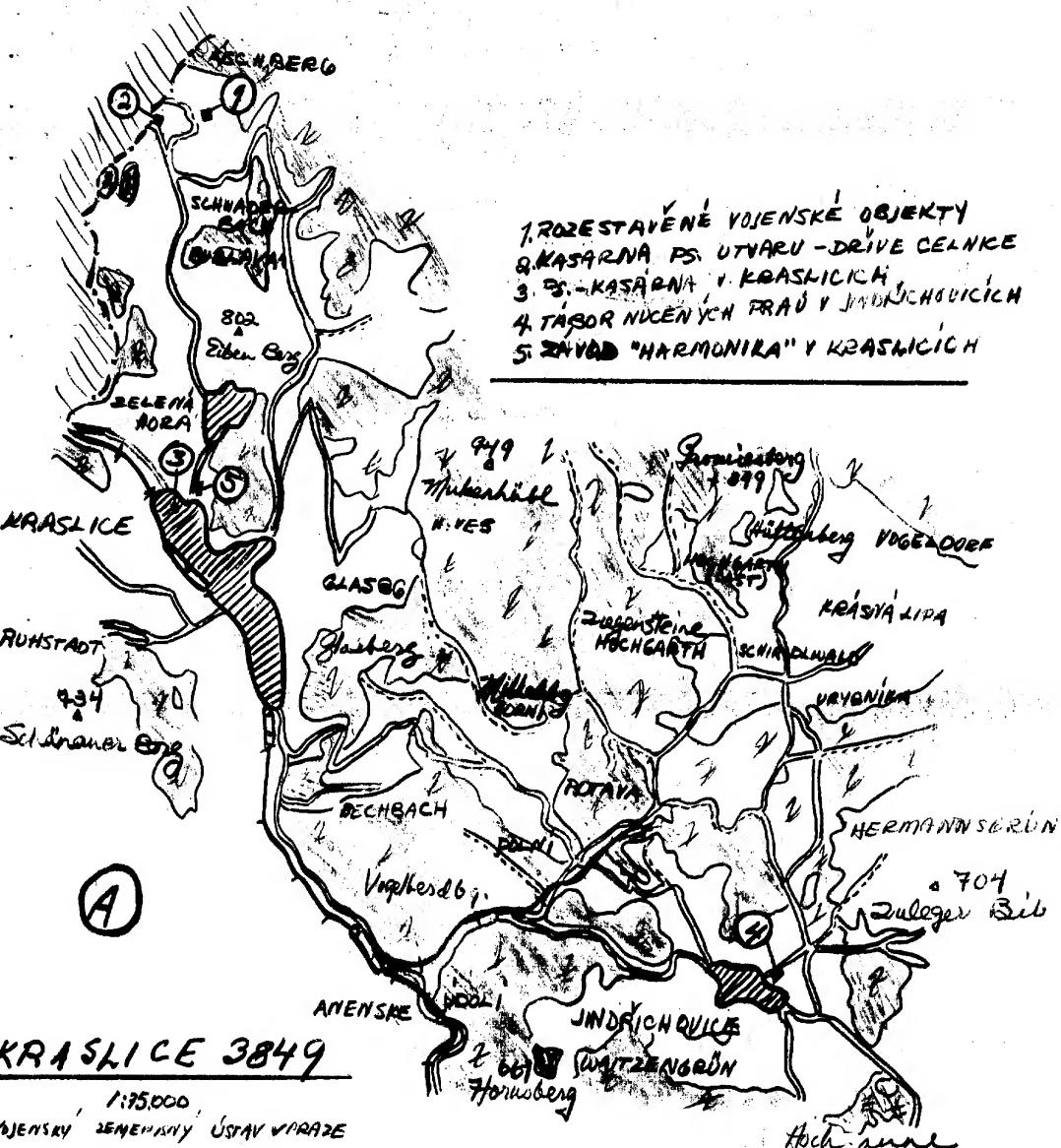
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ENCLOSURE (A)
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SKETCH MAP, KRASLICE, WITH LEGEND



30° 70'

30° 75'

58° 15'

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ENCLOSURE (A)
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Legend ~~relative to~~ to Enclosure A, map of Kraslice 3849

1. Military objectives under construction at Bublava (formerly Schwaderbach). The construction was begun in the spring of 1952 and in July of the same year, when source was here for the last time, the buildings were not completed. There are three brick buildings, being built along the sides of a square. Two of the buildings are about 30 x 15 meters in size, and the third about 20 x 15 meters. Between the buildings there is supposed to be an empty space and the open side of the quadrangle faces toward Kraslice. The population from surrounding houses was evacuated (source does not know where to) and all floors of these houses are being concreted.
2. Border Guard caserne in Bublava; three story brick building 35 x 25 meters, formerly housing the customs office and now occupied by three companies of border guard soldiers, a total of 90 men.
3. Border Guard caserne in Kraslice.
4. Forced labor camp at Jindrichovice.
5. Harmonika enterprise in Kraslice.

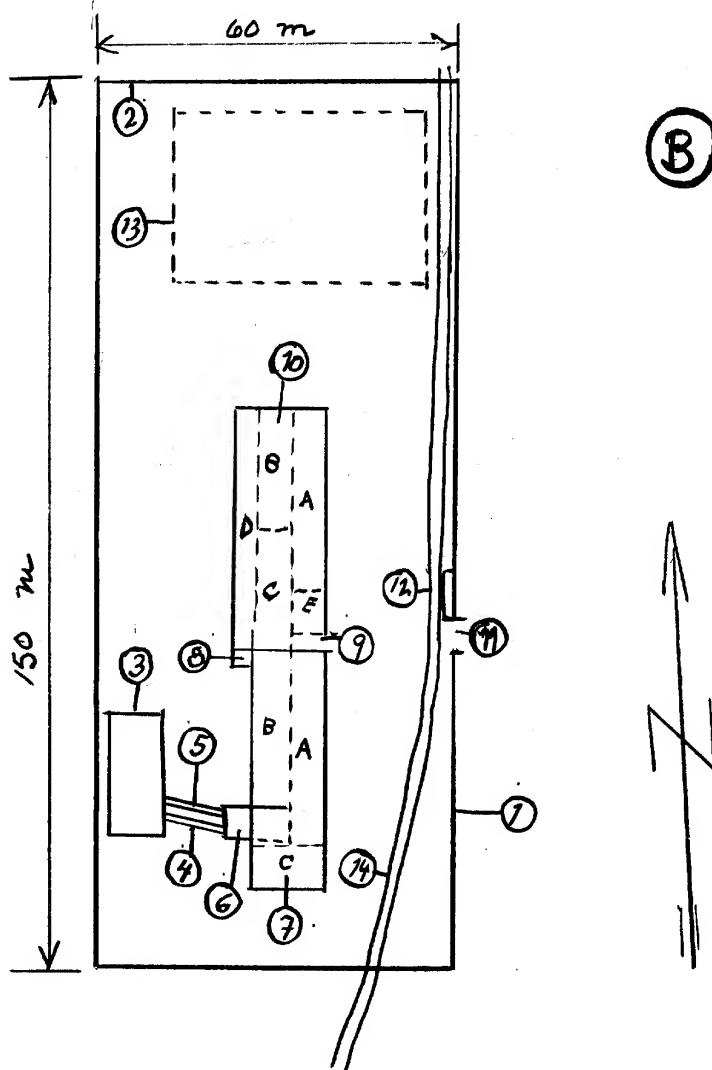
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ENCLOSURE (B)

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SKETCH MAP, ZAVOD, "HARMONIKA" V KRALICICH, WITH LEGEND

ZAVOD - "HARMONIKA" V KRALICICH

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ENCLOSURE (B)
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Legend to Enclosure B: Harmonika Enterprise in Kraslice:

1. Wooden fence, 2 meters high, 150 meters long, double.
2. Wooden fence, 2 meters high, 60 meters long, double.
3. Brick manufacturing shop, 20 x 10 x 4, housing wood working shop.
4. Steel pipe, 30 cm in diameter and 10 meters long, for compressed air.
5. Steel pipe, 18 cm in diameter and 10 meters long, for dust expulsion from the lathe shop.
6. Brick building, 5 x 5 x 10 meters, housing the air compressors.
7. Brick manufacturing shop, 40 x 12 x 7 meters.
 - A. Fitting shop
 - B. Mechanical work shop
 - C. Carpenter shop
8. Brick annex, 3 x 3 x 3 meters; purpose unknown to source.
9. Entrance to building; wooden gate, 3 x 3 meters.
10. Brick Building, 40 by 15 by 10 meters
 - (a) Finished goods warehouse
 - (b) Semi-finished goods warehouse
 - (c) Administration and technical offices
 - (d) Administration offices and section for harmonica production
 - (e) Milling shop
11. Factory entrance: Gate 5 by 1.5 (five by one and a half) meters
12. Wooden gatehouse, 7 by 3 by 3 meters
13. Courtyard for storage of lumber: boards and sheets
14. Brook traversing the factory courtyard.

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